Pradesh;

(b) if so, what action Central Government have taken or propose to take thereon and whether any royalty has been paid if so, the amount paid so far and the balance amount that is still to be paid; and

(c) if the answer to part (b) above be in the negative, what are the reasons therefor?

THE MINISTER OF STATE OF THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI BRAHM DUTT): (a) and (b) No request for payment of royalty on production of mineral oil has been received from the Government of Andhra Pradesh. Payment of royalty is governed by the provisions of the Oil Fields (Regulation and Development) Act, 1948 and the Petroleum and Natural Gas Rules, 1959, under which royalty is payable to the Central Government when crude oil and natural gas are produced from offshore areas and to the concerned State Gopvernment, when the production is from the land vested in that State. The royalty is paid by the producer of mineral oil to the Central or State Government, as the case may be.

For the period 1986-87 to 1988-89 (until mid February, 1989) the producer, Oil and Natural Gas Commission, has paid a total amount of Rs. 17.80 Lakhs to Andhra Pradesh for onshore production of crude oil and natural gas in that State. The anticipated amount of royalty payable to Andhra Pradesh upto 31st March, 1989 is around Rs. 2.50 lakhs.

(c) Does not arise.

Mini cement factories

2030. DR. NARREDDY THULASI REDDY: Will the Minister of INDUSTRY be pleased to state:

(a) what are the details of mini cement factories in the country at present, Statewise; and

(b) whether there is any proposal to give rebate on excise and sales tax to tide over the crisis in mini cement factories?

THE MINISTER OF INDUSTRY (SHRI J. VENGAL RAO): (a) The number of mini cement plants in the organised sector in the different States are as under:—

State	Number of Mini Cement Plants
1. Andhra Pradesh	14
2. Arunachal Pradesh	1
3. Assam	1
4. Bihar	1
5. Gujarat	16
6. J & K	2
7. Karnataka	11
8. Madhya Pradesh	12
9. Maharashtra	2
10. Orissa	1
11. Rajasthan	5
12. Tamil Nadu	4
13. Uttar Pradesh	2
TOTAL:	72

In addition, there are mini cement plants in the small scale sector which are registered with and administered by the respective State Director of Industries. Data regarding such plants is not centrally maintained. However, as of now, about 80 such plants are reporting production to the development commissioner for Cement Industry.

(b) In the Budget for the year 1989-90, excise duty on cement manufactured by units using vertical shaft kiln has been reduced by Rs. 100 per tonne from the general effective rate.

Drilling wells in the Krishna-Godavari basin

2031. DR. YELAMANCHILI SIVAJI: Will the Minister of PETROLEUM

AND NATURAL GAS be pleased to state:

(a) what is the number of wells so far drilled in the Krishna-Godavari basin, what are their details alongwith the output; and

(b) which industries have been committed the use of gas reserves in the above region?

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI BRAHM DUTT): (a) ONGC have so far drilled 87 wells in Krishna-Godavari basin (onshore and offshore). Out of these, hydrocarbons have been discovered in ten prospects onland and 4 prospects offshore. The time and labour involved in collection of information relating to individual wells, may not be commensurate with the purpose sought to be achieved.

(b) The gas resources are being utilised for various industrial uses. Commitment of gas for a power plant of APSEB has been made; a commitment in principle has also been made for a fertilizer plant at Kakinada.

Proposal for a separate gas grid in Krishna—Godavari basin

2032. DR. YELAMANCHILI SIVAJI: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether there is any proposal to form a separate gas grid in view of the abundant gas reserves in Krishna-Godavari basin of Andhra Pradesh; and

(b) if so, what are the details thereof?

THE MINISTER OF STATE OF THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI BRAHM DUTT): (a) and (b) A pipeline from Narasapur to Kovvur has been constructed for supplying gas to various consumers. There is no proposal for construction of a gas grid as such; additional pipelines would be laid as and when required.

Refinery by HPCL at Hazira

2033. SHRI RAOOF VALIULLAH: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether the proposal for setting up of a refinery by Hindustan Petroleum Corporation Limited at Hazira has since been cleared; if not, what are the reasons therefor and whether the propsal will be incorporated in the Eighth Plan Period;

(b) what will be the refining capacity and the estimated cost and the type of crude oil to be processed in the proposed refinery; and

(c) what were the considerations for selecting Hazira as the location for the new refinery and whether feasibility reports were made available for locating the refinery on Saurashtra coast: if not, what are the reasons therefor?

THE MINISTER OF STATE OF THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI BRAHM DUTT): (a) to (c) A provision of Rs. 50 Lakhs has been included in the 1989-90 Annual Plan of HPCL for Feasibility Studies for additional curde refining capacity in Hazira area. Additional refining capacity required is considered on various techno-ecomomic factors including the demand supply balance of the area to be served, avilability of the curde oil etc. and special studies in this regard.

Setting up offshore supply vessels by ONGC

2034. SHRI RAOOF VALIULLAH: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether it is a fact that ONGC has decided to sell its 31 offshore supply vessels (OSVS) to private firms; if so, what are the reasons thereof;